

Order Execution Policy

1 Introduction

- 1.1 Tradernet Ltd** (“the Company”), whose headquarters are at 9 Kastelorzou, 4532 Agios Tychonas, Limassol, CYPRUS, is authorized and regulated by the Cyprus Securities and Exchange Commission (CySec) under license number **219/13**. This Order Execution Policy sets forth **Tradernet Ltd** policy and execution methodology for client execution on the best terms in accordance with Markets in Financial Instruments Directive (MiFID) 2004/39/EC and the Investment Services and Activities and Regulated Markets Law of 2007 (L.144(I)/2007) as amended. This Order Execution Policy provides the procedures and methods the Company applies to ensure the prompt, fair and expeditious execution with best trade execution condition for the client.
- 1.2** Upon acceptance of a client order for securities listed on regulated markets and outside, the Company will endeavor to execute that order in accordance with the following policy, unless otherwise instructed by the client in respect to order execution.
- 1.3** This policy forms part of the Client’s agreement with the Company and therefore by entering into an agreement with the Company you are also agree to the terms of this Policy, as set out in this document.

2 Scope

- 2.1** This Order Execution Policy applies both to Retail and Professional Clients when executing transactions for the Financial Instruments provided by the Company. The Company does not guarantee that when executing a transaction the client’s price will be more favourable than one which can be obtained elsewhere.
- 2.2** This Policy applies when the Company executes client’s orders provided that the following criteria are satisfied:
- The client has not been categorized as “eligible counterparty” for the related service / transaction
 - The client is dealing in financial instruments covered by Company’s license
 - Specific instructions given by the client do not prevent the Company from providing to the client this Policy
 - The Company did not provide the client with direct market access through an electronic interface which links only to a particular execution venue.

3 Execution Factors

- 3.1** In general all client orders will be executed in accordance with the time of their reception. All reasonable steps will be taken in order to obtain, when executing orders, the best possible result for clients taking into consideration a range of different factors as required by MiFid and the relevant local legislation. The Execution Factors that the Company will take into account when executing orders will include:
- i. Price of the financial instrument
 - ii. Costs
 - iii. Speed of execution
 - iv. Likelihood of execution and settlement
 - v. The size of the order
 - vi. The nature of the order
 - vii. Any other relevant factors
- 3.2** The Company will determine the relative importance of the Execution Factors by using its commercial judgment and experience in the light of the information available on the market and taking into account the Execution Criteria described below. Demonstrating best execution does not necessarily involve a transaction-by-transaction analysis, but rather involves an assessment of a record of transactions over a period indicating that overall the best results is achieved by executing orders on the client’s behalf on the Execution Venues and in the manner described in this Order Execution Policy.
- 3.3** In certain markets and trading situations such as “over the counter” (OTC) markets there may not be an equivalent publicly available market price for the instrument being traded. In such situations the Company will use its experience and commercial judgment to take into account all relevant information available to it and

apply this Order Execution Policy with a view to achieving the best possible result in terms of the total consideration.

- 3.4** In some cases as a result of a system failure or otherwise the Company may have no alternative but to execute an order using a method other than the method it has selected based on this Order Execution Policy. In such cases, the Company will endeavour to execute the order on the best terms possible.
- 3.5** In the absence of specific client instructions in Retail client order, the Company will take into consideration all factors that will allow it to deliver the best possible result in terms of the total consideration, representing the price of the financial instrument and the costs related to execution which shall include all expenses incurred by the client which are directly related to the execution of the order, including execution venue fees, clearing and settlement fees and any other fees paid to third parties involved in the execution of the order. Speed, likelihood of execution and settlement, the size and nature of the order, market impact and any other implicit transaction costs may be given precedence over the immediate price and cost consideration only insofar as they are instrumental in delivering the best possible result in terms of the total consideration to the Retail client.

4. Execution Criteria

- 4.1** For determining the relative importance of the Best Execution Factors the following criteria will be taken into account:
- The characteristics of the client including the categorization of the client as retail or professional
 - The characteristics of the client order
 - the characteristics of financial instruments that are the subject of that order
 - The characteristics of the execution venues to which that order can be directed

5. Specific instructions

- 5.1** Where the client provides the Company with a specific instruction in relation to his/her/it order or any part of it, including selection of execution venues, the Company will execute that order in accordance with those specific instructions and, in doing so, it will have complied with its obligations to provide the best possible results to the extent that those instructions are followed.
- 5.2** However the Company would like to warn its clients that any specific instruction may prevent the Company from taking the steps that it has designed and implemented in its execution policy to obtain the best possible result for the execution of those orders in respect of the elements covered by those instructions.

6. Execution Venue

- 6.1** Execution Venues means a regulated market or a multilateral trading facility (MTF) or a systematic internalizer or a market maker or another liquidity provider or an entity performing in a third country a function similar to any of the abovementioned, with which the Company places client's orders for execution or to which it transmits orders for execution.
- 6.2** The following Execution Venues will be used for execution of clients' transactions:

Nettrader LLC: Brokerage Company "NETTRADER" operates on the basis of the following licenses issued by the Federal Financial Markets Service of Russia ("FFMS"):

- License to engage in brokering number 177-06604-100000 of 14.05.2003,
- License for dealership number 177-06611-010000 of 14.05.2003,
- License for depositary activity number 177-06619-000100 from 14.05.2003,
- License for securities management number 177-11569-001000 of 16.09.2008

Interactive Brokers LLC: Brokerage Company "Interactive Brokers" is a member NYSE - FINRA - SIPC and regulated by the US Securities and Exchange Commission and the Commodity Futures Trading Commission.

UKRANET LLC: Brokerage Company "UKRANET" operates on the basis of the following licenses issued by the National Securities and Stock Market Commission of Ukraine ("NSSMC"):

- License to engage in brokering number 286760 of 10.12.2013, the
- License for dealership number 286761 of 10.12.2013, the

- License for depositary activity number 286767 from 10.12.2013, the
- General currency license issued by National Bank of Ukraine number 145 from 25.12.2014

XNT LTD: EXANTE® is a registered trademark of XNT Ltd.:

- XNT Ltd. is incorporated as a Limited Liability Company under Malta Law
- XNT Ltd. is regulated by the Malta Financial Services Authority and governed by MiFID
- XNT Ltd. is authorised to provide the Investment Services by the MFSA. Licence No.:IS/52182
- XNT Ltd. is entitled to provide services in the UK by using its passporting rights (Financial Conduct Authority FRN 620980)

7 Monitoring / Reviewing

- 7.1** The Company will review and monitor the effectiveness of this Order Execution Policy and arrangements to identify and, where appropriate, correct any deficiencies. It will assess, at least annually, whether the execution venues included in this Order Execution Policy enable the Company to provide the best possible result for the client's orders and whether it needs to make changes to its execution arrangements
- 7.2** Furthermore a review will also be carried out whenever a material change occurs that affects the ability of the Company to continue to obtain the best possible result for the execution of its client orders on a consistent basis using the venues included in this Order Execution Policy. The Company will not notify its clients individually of changes, other than substantial material changes to this Order Execution Policy and therefore the Client should refer from time to time to the Company website where the latest and most up to date Execution Policy will be available.

8 Prior Consent

- 8.1** When establishing a business relationship with the Client the Company is required to obtain client's prior consent to its Order Execution Policy.
- 8.2** The Company is also requires client's express prior consent in the event that their orders will be executed or transmitted for execution outside of a regulated market or multilateral trading facility ("MTF"). This Company's Order Execution Policy provides for the possibility that client's orders may be executed or transmitted for execution outside a regulated market or an MTF.
- 8.3** The Company may obtain the above consents in the form of a general agreement. The Company will treat clients who have either received the Execution Policy or agreed to receive it in any electronically format or via the internet and have accepted the Terms of Business of the Company, as Clients who have given consent to the Policy as well as given consent to the Company to execute or receive and transmit an order for execution outside a regulated market or MTF.